



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

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DEPUTY ASSISTANT SECRETARY FOR FEDERAL FINANCE JAMES CLOUSE NOVEMBER 2006 QUARTERLY REFUNDING STATEMENT

We are offering \$32.0 billion of Treasury securities to refund approximately \$57.6 billion of privately held securities maturing or called on November 15, implying a pay down of approximately \$25.6 billion. The securities are:

- A new 3-year note in the amount of \$19.0 billion, maturing November 15, 2009;
- A new 10-year note in the amount of \$13.0 billion, maturing November 15, 2016;

These securities will be auctioned on a yield basis at 1:00 PM EST on Wednesday, November 8, and Thursday, November 9, respectively. These auctions will settle on Wednesday, November 15. The balance of our financing requirements will be met with weekly bills, monthly 2-year and 5-year notes, the December 10-year note reopening, and the January 10-year and 20-year TIPS. Treasury also is likely to issue cash management bills in November and early December.

Treasury Securities Lender of Last Resort Facility

On May 3, 2006, Treasury published in the Federal Register a white paper outlining the concept of a Securities Lender of Last Resort Facility. The comment period on that white paper closed on August 11, 2006. These comments can be viewed publicly at: <http://www.treas.gov/offices/domestic-finance/debt-management/slf-comments.pdf>.

The Treasury has concluded that additional analysis of the securities lending facility is required to address concerns expressed in some of the comment letters. Treasury will continue to study the securities lending facility and will report on its progress over time as appropriate.

Please send comments and suggestions on these subjects or others relating to Treasury debt management to debt.management@do.treas.gov.

The next Quarterly Refunding announcement will take place on Wednesday, January 31, 2007.